

LOWENSTEIN SANDLER LLP

1251 Avenue of the Americas
New York, New York 10020
(212) 262-6700 (Telephone)
(212) 262-7402 (Facsimile)
Michael S. Etkin
Tatiana Ingman

United States Bankruptcy Counsel for the Class Action Plaintiffs

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SINO-FOREST CORPORATION,

Debtor in a Foreign Proceeding

Chapter 15

Case No. 13- 10361 (MG)

**MOTION FOR ORDER SHORTENING TIME FOR NOTICE OF MOTION TO
APPROVE MANNER OF SERVICE OF NOTICE OF MOTION SEEKING
RECOGNITION AND ENFORCEMENT OF THE ORDER OF THE ONTARIO
SUPERIOR COURT APPROVING HORSLEY SETTLEMENT**

Lead plaintiffs (the “**Canadian Class Action Plaintiffs**”) in the class action proceedings pending in Canada (the “**Canadian Class Actions**”) and lead plaintiffs (the “**U.S. Class Action Plaintiffs**” and together with the Canadian Class Action Plaintiffs, the “**Class Action Plaintiffs**”) in the class action proceeding pending in the United States District Court for the Southern District of New York styled *David Leopard, et al. v. Allen T.Y. Chan, et al.*, Case No. 1:12-cv-01726 (AT) (the “**NY Class Action**” and together with the Canadian Class Actions, the “**Class Actions**”) having filed *the Motion to Approve Manner of Service of Notice of Motion Seeking Recognition and Enforcement of the Order of the Ontario Superior Court Approving the Horsley Settlement* (the “**Service Motion**”) concurrently herewith, file this motion (the “**Motion**”) seeking the entry of an order substantially in the form annexed hereto as **Exhibit A**

(the “**Proposed Order**”) shortening notice of the Service Motion. In support of this Motion, the Class Action Plaintiffs respectfully state as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, the “Amended Standing Order of Reference Re: Title 11” of the United States District Court for the Southern District of New York (Preska, C.J.) dated January 31, 2012 and section 1501 of title 11 of the United States Code. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P). Venue is proper in this District pursuant to 28 U.S.C. §§ 1410(2) and (3).

2. The statutory predicates for the relief requested herein are Rule 9006 of the Federal Rules of Bankruptcy Procedure and the Rule 9006-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the “**Local Rules**”).

BACKGROUND, RELIEF REQUESTED AND BASIS THEREFOR

3. By this Motion, the Class Action Plaintiffs respectfully request that the Court shorten the fourteen (14) day notice period required by Local Rule 9006-1(b) to allow a hearing on the Service Motion, to the extent necessary, to take place as soon as practicable. Expedited consideration of the Service Motion is necessary to ensure that notice of the Settlement Recognition Motion is adequately served in advance of the hearing on the Settlement Recognition Motion scheduled for July 24, 2014.

4. As discussed with the Court at the teleconference held on June 9, 2014, and as set forth more fully in the Service Motion, the Class Action Plaintiffs have entered into a Settlement with a defendant in the Class Actions, Mr. Horsley. The Settlement is subject to the

approval of the Ontario Superior Court in the first instance and recognition and enforcement of such approval order in the United States by this Court in this chapter 15 proceeding.

5. Accordingly, the Class Action Plaintiffs intend to move the Ontario Superior Court for entry of an order approving the Settlement, and, by the Settlement Recognition Motion, to move this Court for entry of an order recognizing and enforcing in the United States the order of the Ontario Superior Court approving the Settlement, if the Ontario Superior Court enters such an order, at a joint hearing on July 24, 2014 at 9:00 a.m..

6. On June 5, 2014, Justice Morawetz approved the Canadian Class Action Plaintiffs' proposed form of notice (the "**Settlement Notice**") of the Settlement and the manner of service of such Settlement Notice in accordance with Canadian law. The Settlement Notice was (and will be) distributed to Securities Claimants in accordance with Justice Morawetz's order starting on June 12, 2014.

7. In addition to service of the Settlement Notice in accordance with Justice Morawetz's June 5 order, as set forth in the Service Motion, the Class Action Plaintiffs intend to serve notice of the Settlement Recognition Motion upon affected parties in the United States through service of the Settlement Notice pursuant to the Notice Program. Through the Service Motion, the Class Action Plaintiffs request a finding that service of the Settlement Notice, as set forth in the Notice Program, constitutes adequate notice of the hearing on and relief requested by the Settlement Recognition Motion upon affected parties in the United States.

8. By this Motion, the Class Action Plaintiffs seek the entry of an order shortening the notice period for the relief requested in the Service Motion. Local Rule 9006-1(b) provides,

Except as otherwise ordered by the Court, or required by the Bankruptcy Rules, all other motion papers shall be served at least

fourteen (14) days before the return date. Where service is made at least fourteen (14) days before the return date, any answering papers shall be served so as to ensure actual receipt not later than seven (7) days before the return date, unless the Court orders otherwise.

9. Expedited consideration of the relief requested in the Service Motion is appropriate because, as discussed at the June 9 teleconference, the joint hearing on the substantive approval of the Settlement in the Ontario Superior Court and the Settlement Recognition Motion in this Court is currently scheduled for July 24, 2014. In addition, the Settlement Recognition Motion must be filed no later than June 27, 2014. An expedited determination on the relief requested in the Service Motion will allow the parties to implement the Notice Program as needed and allow the noticing agent to timely effectuate service as contemplated by the Service Motion which requires service of the Settlement Notice beyond the service accomplished pursuant to Justice Morawetz's June 5 order. Ensuring that effective service of the Settlement Notice is completed as soon as possible will allow affected parties in the United States ample time to consider the relief requested in the Settlement Recognition Motion. Accordingly, the Class Action Plaintiffs submit that shortened notice of the relief requested by the Service Motion is appropriate under the circumstances.

NOTICE

10. The Class Action Plaintiffs have provided notice of this Motion to (a) counsel to Mr. Horsley; (b) all parties that have appeared and requested notice in this chapter 15 proceeding; (c) the office of the United States Trustee for Region 2; and (d) counsel to the Foreign Representative. The Class Action Plaintiffs submit that no other or further notice in connection with the relief requested herein need be provided.

WHEREFORE, the Class Action Plaintiffs respectfully request entry of an order, substantially in the form submitted herewith, granting the relief requested herein and such other and further relief as this Court deems just and proper.

Dated: June 16, 2014
New York, New York

Respectfully submitted,

LOWENSTEIN SANDLER LLP

By: /s/ Michael S. Etkin

Michael S. Etkin
Tatiana Ingman
1251 Avenue of the Americas
New York, New York 10022
metkin@lowenstein.com
tingman@lowenstein.com

*United States Bankruptcy Counsel for the Class
Action Plaintiffs*